GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Sanction of Additional Incentives (Investment and Interest Subsidy) to small entrepreneurs of SC/ST and SC/ST women under A.P. Food Processing Policy, 2015-20 on par with Industrial Development Policy 2015-20 - Orders – Issued.

INDUSTRIES AND COMMERCE (PROGRAMME.III) DEPARTMENT

G.O.MS.No. 142 Dated: 17-12-2018

Read the following:

1. G.O.Ms.No.36, Industries & Commerce (IP&INF) Department, dt.29.04.2015.
2. G.O.Ms.No.57, Industries & Commerce (Prog.III) Department, dt.24.07.2015.
3. G.O.Ms.No.104, Industries & Commerce (Prog.III) Department, dt.12.11.2015.
4. From the CEO, APFPS, Vijayawada, e file No.INC01-FPRO0FPS/6/2018-CEO-FP-INDS, dt.16-11-2018

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ORDER:

The Chief Executive Officer, Andhra Pradesh Food Processing Society, Vijayawada, through e-file 4th read above, has stated that in Food Processing Policy 2015-20 introduced vide G.O 2nd read above, the quantum of investment subsidy for New Food Processing Units for all categories of investors is proposed as 25% of project cost which includes Plant & Machinery and technical civil works limited to Rs.5 Crore and Interest Subsidy @7% per annum for 5 years from the date of commercial operations subject to a maximum of Rs.2 Cr. There are no additional incentives to SC/ST & SC/ST women beneficiaries as laid down in Industrial Development Policy 2015-20 vide G.O.1st read above. Due to this, the entrepreneurs of SC/ST & SC/ST women are not getting additional incentives/benefits while establishing Food Processing units.

2. The Chief Executive Officer, APFPS, has further stated that Government recently announced development of Micro, Small and Medium Enterprises Parks in all Assembly Constituencies. The Andhra Pradesh Industrial Infrastructure Corporation Ltd., already initiated development of parks in some districts. The SC/ST entrepreneurs will get motivated to setup food processing units in these parks if additional incentives are provided.

3. The Chief Executive Officer, APFPS, has, therefore, requested the Government to consider issuing orders enhancing the investment subsidy & interest subsidy on the lines of IDP 2015-20 to encourage the SC/ST & SC/ST women entrepreneurs set up Food Processing Units in the State as detailed hereunder;

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Scheme	APFP Policy 2015-20	IDP 2015-20	Proposal of APFPS
1) a. New Food Processing Units	25% of project cost(includes Plant & Machinery, technical civil works) with a CAP of Rs.5Cr.	a. SC/ST-35% of project cost with a CAP of Rs.75 lakh b. SC/ST Women – 45% of project cost with a CAP of 75 lakhs	a.SC/ST-35% of project cost(includes Plant & Machinery, technical civil works) with a CAP of Rs.5 Cr. b.SC/ST Women – 45% of project cost(includes Plant &Machinery, technical civil works) with a CAP of Rs.5.00 Cr.
1.b. Interest Subsidy under New Food Processing Unit Scheme	5 years from COD @ 7% (subject to max. of Rs.2Cr)	5 years from COD @ 9% (No limit)	5 years from COD @ 9% with a CAP of Rs.2 Cr.

4. Government, after careful examination of the matter, have accepted the proposal of the CEO,AP. Food Processing Society and accordingly hereby sanction additional incentives (Investment and Interest Subsidy) to small entrepreneurs of SC/ST and SC/ST women entrepreneurs under A.P. Food Processing Policy, 2015-20 on par with IDP 2015-20 as detailed below;

(i) Sanction of additional incentives to SC/ST entrepreneurs i.e., capital subsidy @ 35% of project cost (includes plant and machinery, technical civil works) limited to Rs.5.00 Crore.

(ii) Sanction of additional incentives to SC/ST women entrepreneurs i.e., capital subsidy @ 45% of project cost (includes plant and machinery, technical civil works) limited to Rs.5.00 Crore and

(iii) Interest subsidy to SC/ST & SC/ST women entrepreneurs @ 9% per annum, on the term loan taken for fixed capital investment, for a period of 5 years from the date of commercial operations with a maximum limit of Rs.2.00 Cr.

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5. The Chief Executive Officer, Andhra Pradesh Food Processing Society, Vijayawada shall take further necessary action accordingly in the matter.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

M.GIRIJA SHANKAR
SECRETARY TO GOVERNMENT (FP)

To
The Chairman,
Andhra Pradesh Food Processing Society, Vijayawada
The Chief Executive Officer,
Andhra Pradesh Food Processing Society,
D.No.48-11/1-5/8,
Gadde Samba Shiva Rao Street,
Sri Ramachandra Nagar, Vijayawada-08
The Commissioner of Industries,
1st Floor, Govt., Printing Press Building, Muthyalampadu, Vijayawada.

Copy to:

All the P. Ss to Principal Secretaries/ Secretary to Government, Govt., A.P., Secretariat,
All the Heads of the Department, Govt., of Andhra Pradesh,
All the District Collectors,
All Departments in A.P Secretariat, Velagapudi
The Vice Chairman & Managing Director,
Andhra Pradesh Industrial Infrastructure Corporation Ltd.,
D.No.59A-20-3/2A, 1st 2nd & 3rd Floors, Sri Siva Complex,
Fun Times Club Road, Teachers Colony, Vijayawada-520 008,
The Secretary, Government of India,
Ministry of Food Processing, Panchasheel Bhavan, August Kranti Marg.
New Delhi.
The P.S to Principal Secretary to Chief Minister,
The P.S to Minister for Industries and Food Processing.
The P.S to Chief Secretary,
The Govt., Pleader for Industries and Commerce
High Court of A.P., Hyderabad for information.
SC/SF

//FORWARDED::BY ORDER//

SECTION OFFICER